

□ 1608

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. LAHOOD) at 4 o'clock and 8 minutes p.m.

GENERAL LEAVE

Mr. LINDER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on S. 2136.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

MAKING IN ORDER AMENDMENT IN LIEU OF AMENDMENT PRINTED IN HOUSE REPORT 108-431 DURING CONSIDERATION OF H.R. 1561, UNITED STATES PATENT AND TRADEMARK FEE MODERNIZATION ACT OF 2003

Mr. LINDER. Mr. Speaker, I ask unanimous consent that the amendment that I have placed at the desk be considered as the amendment printed in House Report 108-431 and numbered 1 and that the amendment be considered as read for purposes of this unanimous consent request.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The text of the amendment is as follows:

AMENDMENT TO H.R. 1561, AS REPORTED, OFFERED BY MR. SENSENBRENNER OF WISCONSIN

Strike section 5 and insert the following:

SEC. 5. PATENT AND TRADEMARK FUNDING.

Section 42(c) of title 35, United States Code, is amended—

(1) by striking “(c)” and inserting “(c)(1)”;

and

(2) by adding at the end the following new paragraph:

“(2) There is established in the Treasury a Patent and Trademark Fee Reserve Fund. If fee collections by the Patent and Trademark Office for a fiscal year exceed the amount appropriated to the Office for that fiscal year, fees collected in excess of the appropriated amount shall be deposited in the Patent and Trademark Fee Reserve Fund. After the end of each fiscal year, the Director shall make a finding as to whether the fees collected for that fiscal year exceed the amount appropriated to the Patent and Trademark Office for that fiscal year. If the amount collected exceeds the amount appropriated, the Director shall, if the Director determines that there are sufficient funds in the Reserve Fund, make payments from the Reserve Fund to persons who paid patent or trademark fees during that fiscal year. The Director shall by regulation determine which persons receive such payments and the amount of such payments, except that such payments in the aggregate shall equal the amount of funds deposited in the Reserve Fund during that fiscal year, less the cost of administering the provisions of this paragraph.”.

In section 6(a), strike “Except as” and all that follows through the end of the sentence and insert “Except as otherwise provided in this Act and this section, this Act and the amendments made by this Act shall take effect on October 1, 2004, or on the date of the enactment of this Act, whichever occurs later.”.

Page 12, strike lines 17 through 20 and insert the following:

(d) ADJUSTMENTS.—

(1) IN GENERAL.—Section 41(f) of title 35, United States Code, shall apply to the fees established under the amendments made by this section, beginning in fiscal year 2005.

(2) CONFORMING AMENDMENT.—Effective October 1, 2004, section 41(f) of title 35, United States Code, is amended by striking “(a) and (b)” and inserting “(a), (b), and (d)”.

Page 11, add the following after line 24:

“(F) The Director shall require that any search by a qualified search authority that is a commercial entity is conducted in the United States by persons that—

“(i) if individuals, are United States citizens; and

“(ii) if business concerns, are organized under the laws of the United States or any State and employ United States citizens to perform the searches.

“(G) A search of an application that is the subject of a secrecy order under section 181 or otherwise involves classified information may only be conducted by Office personnel.

“(H) A qualified search authority that is a commercial entity may not conduct a search of a patent application if the entity has any direct or indirect financial interest in any patent or in any pending or imminent application for patent filed or to be filed in the Patent and Trademark Office.

Page 12, insert the following after line 20 and redesignate the succeeding subsection accordingly:

(e) FEES FOR SMALL ENTITIES.—Section 41(h) of title 35, United States Code, is amended—

(1) in paragraph (1), by striking “Fees charged under subsection (a) or (b)” and inserting “Subject to paragraph (3), fees charged under subsections (a), (b), and (d)(1)”;

(2) by adding at the end the following new paragraph:

“(3) The fee charged under subsection (a)(1)(A) shall be reduced by 75 percent with respect to its application to any entity to which paragraph (1) applies, if the application is filed by electronic means as prescribed by the Director.”.

(f) SIZE STANDARDS FOR SMALL ENTITIES.—

(1) STUDY.—The Director, in conjunction with the Administrator of the Small Business Administration and the Chief Counsel for Advocacy of the Small Business Administration, shall conduct a study on the effect of patent fees on the ability of small entity inventors to file patent applications. Such study shall examine whether a separate category of reduced patent fees is necessary to ensure adequate development of new technology by small entity inventors.

(2) REPORT.—The Director shall, not later than 6 months after the date of the enactment of this Act, submit a report on the results of the study under paragraph (1) to the Committee on the Judiciary and the Committee on Small Business of the House of Representatives and the Committee on the Judiciary and the Committee on Small Business and Entrepreneurship of the Senate.

Page 8, line 3, add the following after the period: “For the 3-year period beginning on October 1, 2004, the fee for a search by a qualified search authority of a patent application described in clause (i), (iv), or (v) of subparagraph (B) may not exceed \$500, of a patent application described in clause (ii) of

subparagraph (B) may not exceed \$100, and of a patent application described in clause (iii) of subparagraph (B) may not exceed \$300. The Director may not increase any such fee by more than 20 percent in each of the next 3 1-year periods, and the Director may not increase any such fee thereafter.”.

PROVIDING FOR CONSIDERATION OF H.R. 1561, UNITED STATES PATENT AND TRADEMARK FEE MODERNIZATION ACT OF 2003

Mr. LINDER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 547 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 547

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 1561) to amend title 35, United States Code, with respect to patent fees, and for other purposes. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on the Judiciary now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived. No amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Georgia (Mr. LINDER) is recognized for 1 hour.

Mr. LINDER. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Florida (Mr. HASTINGS), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.